

**DEPARTMENT OF STATE REVENUE**  
**SUPPLEMENTAL LETTER OF FINDINGS NUMBER: 28-940642 CSET**  
**CONTROLLED SUBSTANCE EXCISE TAX**  
**FOR TAX PERIODS: 1994**

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**ISSUE**

**CONTROLLED SUBSTANCE EXCISE TAX: IMPOSITION**

**Authority:** IC 6-7-3-5, IC 6-8.1-5-1(b).

Taxpayer protests the assessment of Controlled Substance Excise Tax.

**STATEMENT OF FACTS**

Taxpayer was arrested for possession of marijuana. The Indiana Department of Revenue issued a Record of Jeopardy Finding, Jeopardy Assessment Notice and Demand on July 29, 1994 in a base tax amount of \$65,920.00. Taxpayer filed a protest to the assessment. Taxpayer did not appear for his original hearing set for February 8, 2000. A Letter of Findings denying Taxpayer's protest was issued on February 25, 2000. Taxpayer, by counsel, requested a supplemental hearing. A supplemental hearing was held by telephone with

Taxpayer's representative on May 4, 2000. Taxpayer's representative was granted until August 23, 2000 to submit additional evidence. No additional evidence was submitted.

## **Controlled Substance Excise Tax-Imposition**

### **Discussion**

IC 6-7-3-5 imposes the Controlled Substance Excise Tax on the possession and delivery of marijuana and cocaine in the State of Indiana. Taxpayer bears the burden of proving that the assessment of tax is incorrect. IC 6-8.1-5-1(b). The arresting officer's report and Indiana State Police Laboratory report indicate that Taxpayer was in possession of 1648 grams of marijuana. Taxpayer did not sustain his burden of proving that the assessment was incorrect.

### **Finding**

Taxpayer's protest is denied.